

it should be fixed now; Its not fair, I paid for everyone else's road they should pay for mine; Toll roads mean toll booths and having to carry a jar of quarters in my car; Toll roads create safety problems at toll plazas; and We have waited long enough its our turn.

The Interstate Highway System is a critical link in the nation's transportation network. It is truly one of the greatest and most expensive public works projects ever undertaken. While the interstate system includes only 2.5% of our highway lane-miles more than 22% of our travel is on it. It will also require nearly a third of our annual capital expenditures to improve it in the future. Yet reconstruction or capacity expansions on the interstate system cannot be toll financed. The privatization and tolling provisions of ISTEA an the NHS Act should be expanded to allow the use of tolls on the Interstate System if a road, bridge, or tunnel, is reconstructed, substantially improved, or its capacity is expanded. This will attract the investment and expertise of the private sector to complete needed, major reconstruction projects, improvements, and expansions to the system faster and at less cost. It will also relieve the large financial burdens these projects place on many State Departments of Transportation.

State and local governments have not yet accepted private equity as additional money to meet their transportation needs. I believe Congress could create a better environment for the private sector by requiring that alternative financing, including but not limited to tolls, congestion pricing, mileage pricing, and public-private partnerships, when the cost exceeds \$10,000,000. Such a provision would make it more likely for government entities to pursue alternative financing.

The private sector is at a disadvantage to government in financing infrastructure due to the disparity in rates between taxable and tax exempt financing. The federal government also loses tax revenue when tax exempt bonds are used to finance improvements. eliminating this disparity would make taxable financing more competitive and the federal government would increase its tax revenues.

Unlike the power and telecommunications industries there is no clear track record of private involvement in the delivery of transportation infrastructure. As a result, the financing of such investments can be difficult to close. By making the unobligated balance in the Highway Trust Fund available as a guarantee for transportation infrastructure loans, financing would be more easily obtained and investment of private equity in transportation projects would increase. Regarding this provision the Office of Management and Budget has advised the Federal Highway Administration that portions of the unobligated balance in the trust fund actually committed as a debt reserve would be scored at ten cents on the dollar for budget purposes. Such use of the unobligated balance would have a minimal effect on the deficit.

The payment of tolls to finance specific projects does not constitute double taxation. the situation is similar to a homeowner who needs or desires to make repairs or improvements to his, or her, home. A homeowner's monthly mortgage payment allows him, or her, to live in a home while it is being paid for. Similarly, the gas tax is being used to maintain and make limited improvements to our existing road system. If a homeowner desires to make repairs or improvements additional funds outside his monthly payments are needed. Similar to the homeowner, if we want to make specific improvements to our road system we must find an additional source of funds. By using tolls, the revenue

raised is targeted to a specific need. A need created by a specific demand and the investment made is tailored to meet that need. This is an efficient and equitable way of making investments. It introduces market forces into transportation infrastructure investments. The improvements made are also paid by those who benefit most from the improvement. This a fair and equitable means of paying for improvements.

The public's unrealistic expectation that traditional transportation funding can meet their needs is evidenced by the statements listed above. The current system is unable to meet those expectations due to major changes in automobiles and our travel patterns. Increased fuel efficiency and life-span of vehicles coupled with increases in the number of trips and trip length has contributed greatly to our current funding situation. Neither the gas tax nor license fees is increasing. Moving away from these funding mechanisms to charging for the space used on a road would help change these expectations. Charging for highway travel by the mile would make us more aware of the cost of travel and would assess costs to the largest users. This would result in more prudent use of highway capacity. Such a move would also permit the introduction of congestion pricing to highway travel. Most commodities are paid for in this fashion. Introducing it into highway travel would improve utilization of the existing system and lessen demand for additional capacity.

Drivers have not liked paying tolls because they do not like fumbling for quarters, stopping and paying the tolls. This is no longer necessary. My company, Hughes Transportation Management Systems, has adapted defense-related technology to collect tolls at freeway speeds on the open road without toll plazas. Eliminating toll booths and stopping to pay tolls eliminates most driver's objection to toll financing.

In closing, I would like to state that I am very positive on the opportunities and benefits of highway infrastructure privatization. This optimism is buoyed by continued bipartisan support of the Minnesota legislature, business, and labor. We are continuing our efforts despite the fact that we are charging a fee for a service that our competition, government, is giving away "free". We would like to participate more fully. Addressing the issues I have outlined today would improve the competitive disadvantage we now face. I would be happy to answer your questions.

HEALTH COVERAGE AVAILABILITY AND AFFORDABILITY ACT OF 1996

SPEECH OF

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1996

Mr. COSTELLO. Mr. Speaker, I rise today in support of the Kennedy-Kassebaum substitute to be offered by the Democratic leader, and in opposition to the bill as a whole. Unfortunately, radical members of the majority conference have hijacked this bill and turned it into a special-interest Christmas tree, which could very well jeopardize its passage in the Congress.

Health insurance reform is long past due. Millions of Americans are still routinely denied health care coverage because of preexisting conditions. Some are forced to remain in stagnant jobs and turn down promotions or other

job opportunities in order to insure the continuation of their employer-sponsored health care benefits.

The Senate has introduced legislation with wide bipartisan support to address the issue of portability of insurance. That legislation, the Kassebaum-Kennedy bill, ensures health insurance portability when individuals move from one employer to another. President Clinton voiced his support for this legislation during his State of the Union Address. In the House of Representatives, my colleague, Representative ROUKEMA has introduced similar legislation, and 192 of my colleagues have joined me in cosponsoring Representative ROUKEMA's legislation.

With the broad bipartisan support of this health insurance reform, it is a disgrace that the Republican leadership has sabotaged the enactment of this legislation by adding controversial provisions to the bill. Some Members in the Senate have suggested these provisions may end the chances of passage of this legislation, which is why I will vote for the Kennedy-Kassebaum-Roukema substitute and against final passage. This issue is too important to let partisan politics jeopardize the health care of the American people. We have waited for too long. The time is now to pass and enact a clean health insurance reform bill that will assure the portability of health insurance when individuals change jobs.

PROMISES MADE

HON. BILL BAKER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 29, 1996

Mr. BAKER of California. Mr. Speaker, today I wish to submit for the RECORD a section of the public law which enumerates the statutory obligations the Department of Energy has toward its employees at defense nuclear facilities, concerning workforce restructuring.

The Department of Energy faces some tough budgetary and programmatic decisions in the coming weeks and months. Many of these decisions will no doubt be important to our Nation in safeguarding our nuclear stockpile, in ensuring our energy security in the future, in advancing the pace of energy sciences, and in stewarding our national resources. It is this stewardship role I speak of today, specifically the stewardship of the valuable, competent employees at DOE's nuclear facilities.

Mr. Speaker, these workers are truly national assets. They work on the cutting edge of science and engineering, bolstering our Nation's security status and it energy future. These men and women do yeoman's work for our country in areas of science you and I can barely comprehend. Though perhaps rarely appreciated or understood by the average American taxpayer, these people give their all at national laboratories like Sandia, Lawrence Livermore, and Los Alamos. Our Nation is the richer for their sacrifice and commitment to our collective good.

In light of recent statements by DOE officials indicating an intention to downsize workforces at some national laboratory sites in the coming months, it is essential that the bureaucracy that administer our Government's policies respect the value these workers add